

#GlobalBenefitsBulletin Highlights

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RESPOND



China: Employer role in pretax health insurance plans



Germany: New pay parity law



Philippines: New subcontracting rules



Poland: Temporary employment contracts capped.

WATCH



Canada: Ontario employment standards reform bill



Ireland: Social Welfare and Pensions Bill 2017



Macau: Second-pillar scheme approved.



Netherlands: Secondment ruled temporary employment.



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NOTE



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Taiwan: Court ruling backs gay marriage.

Key Updates

Canada

WATCH

Ontario employment standards reform bill



Talent

On June 1, 2017, Bill 148, The Fair Workplaces, Better Jobs Act, 2017 received first reading. The bill includes broad ranging amendments to the Employment Standards Act, 2000 and the Labour Relations Act. Among other matters, the bill purports to:

- Raise the general minimum wage to \$14/hour on January 1, 2018, and then to \$15/hour on January 1, 2019, followed by annual increases at the rate of inflation.
- Mandate equal pay for part-time, temporary, casual, and seasonal employees doing the same job as full-time employees; and equal pay for temporary help agency employees doing the same job as permanent employees at the agencies' client companies.
- Expand personal emergency leave to include an across-the-board minimum of at least two paid days per year for all workers.
- Bring Ontario's vacation time into line with the national average by ensuring at least three weeks' vacation after five years with the same employer.
- Make employee scheduling fairer, including requiring employees to be paid for three hours of work if their shift is cancelled within 48 hours of its scheduled start time.

The government is also proposing measures to expand family leaves and ensure that certain employees are not misclassified as independent contractors. To enforce these changes, the province will hire up to 175 more employment standards officers and launch a program to educate both employees and small- and medium-sized businesses about their rights and obligations under the Employment Standards Act, 2000.

This bill is being sent to a committee and will be subject to a broad consultation process to gain feedback from a wide variety of stakeholders.

Further information can be found in the links provided

<https://news.ontario.ca/mol/en/2017/06/ontario-introduces-legislation-to-create-fair-workplaces-better-jobs.html>

<https://news.ontario.ca/mol/en/2017/05/proposed-changes-to-ontarios-employment-and-labour-laws.html>

Source link:

Bill 148, The Fair Workplaces, Better Jobs Act, 2017

China

RESPOND

Employer role in pretax health insurance plans



Health

The State Administration of Taxation (SAT) has provided some guidance on employer involvement in the new tax-deductible health insurance program that launches on July 1. Workers may qualify for the deduction (up to 2,400 yuan/US \$347.52 per year) by delivering certificates of policies to their employers who then deduct the cost from monthly taxable income. On the other hand, the employer may purchase the health insurance plan and offer it as a tax-free benefit to the employee or split the premium cost (still a total annual ceiling of 2,400 yuan) with the employee. The employer expenses are credited as part of the employee salary, but the employee is not subject to income tax for these amounts. Any premium over 2,400 yuan per year or 200 yuan per month is not tax-exempt.

France

NOTE

Macron agenda



Talent

Among the themes consistently articulated in the new President's campaign:

- The employer and employee exemptions from social security contributions for overtime would be restored.
- Financial disincentives are planned for employers that disproportionately rely on short-term contracts.
- There would be some expansion of the topics subject to collective bargaining rather than set out in law. This is expected to include some flexibility on the 35-hour workweek.
- Compensation for unjustified dismissal would be capped and it would be less difficult to stage a dismissal in response to financial hardship.
- There would be further investment in skills training centers and all types of workers would be eligible for unemployment benefits.
- The effort to close the wage gap between male and female workers would be boosted by posting a roster of discriminatory firms.
- The employee representative bodies within a company (works council, workers' representatives, and health and safety committees) would be merged.

The prospects for this agenda depend on whether the President's allies do well in this month's legislative elections.

France

NOTE

Macron agenda update



Talent

The parliamentary elections concluding on June 19 are on track to significantly boost the prospects of the new President getting his labor reform legislation passed. Meanwhile, here are some further details on the labor reforms he will pursue:

- The disincentive for habitual use of temporary contracts would come in the form of a new employer levy.
- Inbound international assignments would be limited to one year and the Posted Workers Directive would be renegotiated to limit the foreign workers who stay on their home payroll and those exempt from some French labor laws.
- All workers would be eligible for unemployment benefits. These would include independent contractors and those who leave their jobs voluntarily.
- Payroll taxes would be reduced for workers on minimum wage (EUR 1,480 per month) and they would receive a 13th month salary.

The President has already opened discussions with social partners. Next month, a bill on empowering the executive branch to make certain labor reforms by executive order for expediency's sake when there is social partner consensus will be delivered to the new Parliament. Social partner reception to this agenda has been mixed, but a key proposal to let collective bargaining devolve from the sectoral level to individual companies is opposed by the major unions. The reform decrees should be finalized by the end of summer.

GERMANY

REPSOND New pay parity law



Talent

Parliament has passed the government's pay parity legislation. Workers in enterprises with over 200 staff will soon be able to request data on median average pay of at least six workers of the opposite gender in comparable positions. The Remuneration Transparency Act is still slated to come into force on July 1, 2017, even though stakeholders await clarity on the definition of "comparable work" and guidance on the parameters of the legal entity used for the company size threshold.

Ireland

WATCH Social Welfare and Pensions Bill 2017



Retirement

The Minister for Social Protection announced publication of Social Welfare and Pensions Bill 2017, which combines a variety of significant proposals:

- Sponsors of defined benefit plans would have to give 12 months' advance notice before stopping contributions.
- A defined benefit scheme trustee would have six months to deliver a funding proposal to the Pensions Authority after receiving an actuarial funding certificate. The Pensions Authority would have the option of rejecting a funding proposal and setting an alternative schedule of contributions.
- The bill sets the conditions under which same-sex spouses and civil partners would be entitled to a spouse's pension in an occupational pension scheme.
- People on Disability Allowance would be able to continue all or part of the benefit when they start a new job.

The Minister for Social Protection will attempt to get the bill enacted before Parliament takes its summer break on July 20.

Macau

WATCH

Second-pillar scheme approved.



Retirement

Having endorsed the scheme in principle last year, the Legislative Assembly has now narrowly passed legislation committing to the introduction of a Non Mandatory Central Provident Fund Scheme. A number of issues that could have stalled the bill longer have been deferred. The cliff vesting (three years partial, 10 years full) and nontransferability compel workers to stay with an employer longer than many jobs last. Moreover, contract workers would not be able to participate. Supporters say that gaps in the legislation allow some flexibility for collective agreements and that many of the minor flaws are best addressed in technical corrections. The law will go into effect next year and will have its first formal assessment three years later.

Netherlands

WATCH

Secondment ruled temporary employment.



Talent

Two recent Supreme Court rulings (one linked [here](#)) offered a broad interpretation of "temporary employment contract" (tec) that confers temporary employment status on typical employee secondments. Under the Court's definition, TEC is a contract under which the employee, in the context of the employer's profession or business, is sent to another organization to perform work under their supervision. Employers are evidently left with a legal obligation to put their seconded workers in the collective labor agreement and pension fund for the temporary employment agency sector. Stakeholders have asked the legislature to clarify this issue.

Philippines

RESPOND

New subcontracting rules



Talent

The Department of Labor and Employment's (DOLE) Department [Order No. 174](#) comes in response to the President's request for tighter regulation of contracting and subcontracting. Among additions to the earlier version:

- In-house contractors are added to the list of prohibited arrangements.
- A contractor's employees may not take over functions performed by the company's regular employees.
- The registration fees and capitalization requirements for contractors are sharply higher while a certificate of registration will now have to be renewed every two years.

Poland

RESPOND

Temporary employment contracts capped.



Talent

The Labor Ministry announced that an employer may engage a temporary worker for no more than 18 months within a 36-month period under an amendment to the *Act of Temporary Work 1993* that went into effect on June 1, 2017. In other provisions:

- Workers who become pregnant while on a temporary contract of at least two months would have protection for completing their contract through to the date of delivery.
- Employers would have to disclose remuneration policy and the temporary worker's pay to the temporary employment agency.
- One may not hire a temporary worker to take over responsibilities of a regular employee dismissed within the past three months for reasons unrelated to conduct.
- There are new penalties for subjecting temporary workers to hazardous conditions.
- New rules on the certification of employment agencies and activities that could have them de-certified are included.

There are safeguards against exploitation of foreign workers in these agencies.

Taiwan

NOTE

Court ruling backs gay marriage.



Talent

Last month, the Taiwan Constitutional Court delivered a ruling that instructed Parliament to pass legislation legalizing gay marriage within two years. Taiwan will be the first Asian nation to allow gay marriage and ripples are being felt throughout the region, particularly in Thailand where the Justice Ministry has promised to move forward with a gay rights bill that has been in limbo since 2013 and Hong Kong where the government is appealing a well-received High Court decision awarding spousal benefits to a civil servant's same-sex partner.

UK

WATCH

News—Policy statements on pensions from the major political parties



Retirement

In advance of the UK general election, Aon UK published this [bulletin](#). Also, on the day of the election result, Aon Hewitt issued a combined note covering the investment and pensions aspects [here](#).

Other Notable Updates

Area	Country	Date	Name
 Health	India	6/8	Mental Healthcare Bill passed.
	Rwanda	6/15	Penalty for bypassing referral system
	Saudi Arabia	6/8	Health insurer provider networks
	South Korea	6/15	New law will change health insurance premium formula.
 Retirement	Australia	6/22	ATO guidance on super contribution cap
	Colombia	6/15	Tax treatment of pension fund contributions
	Egypt	6/8	Ruling on benefits under early retirement
	Estonia	6/8	Fees capped for conservative pension funds.
	Germany	6/22	Defined ambition scheme law advances.
	Hong Kong	6/22	ORS disclosure requirements
	India	6/8	EPF early retirement incentive
	Laos	6/15	Social security contribution hike
	Macau	6/22	Second-pillar scheme approved.
	Nigeria	6/15	RSA multifund structures to be mandatory.
	Taiwan	6/22	Court ruling backs gay marriage.
	UK	6/8	TPR Annual funding statement
	UK	6/22	Pension Schemes Act 2017
	US	6/15	DOL Publishes New Transition Period Fiduciary Rule Guidance
 Talent	Brazil	6/22	Ruling on NDF liability in an acquisition
	Bulgaria	6/22	Guidance on tax regime for certain perks
	Canada	6/8	Royal Assent for genetic testing bill
	Canada	6/22	Manitoba wage indexation bill
	Canada	6/15	Alberta Employment Standards/Labour Relations Reform
	Egypt	6/8	Ruling on right to wage increase during maternity leave
	France	6/8	Supply chain due diligence law
	France	6/8	Employers may claim social security refunds on forfeited RSUs.

Area	Country	Date	Name
 Talent	France	6/15	New requirements for seconded workers
	Hungary	6/8	New public holiday established.
	India	6/8	Maternity leave clarification
	India	6/15	Employer responses to maternity and Employee State Insurance amendments
	Ireland	6/15	Guidance on tax exemption for business travel expenses
	Isle of Man	6/22	Tax exemption for bereavement support payments
	Italy	6/15	New worker rights under gig economy
	Kuwait	6/22	New annual leave entitlement
	Netherlands	6/22	Sector fund option lost for temporary employment agencies.
	Panama	6/22	Paid paternity leave entitlement
	Peru	6/8	Immigration Law revision
	Philippines	6/15	New subcontracting rules
	Qatar	6/22	Ties severed with several nations, GCC status may be affected.
	Russia	6/15	Ruling backs claw back of unearned pay hike.
	Rwanda	6/15	National Skills Database extension
	Seychelles	6/15	New tax regime for 13th month salary
	South Korea	6/15	President's working hours/overtime reform agenda
	Sudan	6/15	Sudan market opens to foreign insurers.
	Sweden	6/15	Payroll disclosure requirement introduced.
	Ukraine	6/8	Older worker redundancy protection
Venezuela	6/8	New meal benefit rules, minimum wage increase.	

Contacts

If you have questions please contact your Aon Hewitt representative or send a note to Country.Profiles@aonhewitt.com.

*Additional information on the above, plus other updates can be found in
Greater Insight which is updated & emailed on a weekly basis*

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